

**GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:2551
ANSWERED ON:08.08.2001
REVIVAL OF SICK UNITS
BHARTRUHARI MAHTAB

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES be pleased to state:

- (a) whether the Government propose to revive the viable SSI sick units which were closed down after the super-cyclone in Orissa;
- (b) whether the RBI has drawn any revised guidelines for rehabilitation of such sick SSI units in the State; and
- (c) if so, the details thereof?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND RURAL INDUSTRIES, MINISTER OF STATE IN THE DEPARTMENT OF PERSONNEL AND TRAINING, DEPARTMENT OF PERSONNEL AND PENSIONERS WELFARE OF THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRIMATI VASUNDHARA RAJE)

(a) to (c): Yes, Sir. The Reserve Bank of India's (RBI) guidelines already exist for revival of potentially viable sick SSI units, which are also applicable to those SSI units, which were affected by the super-cyclone in Orissa. RBI's guidelines also exist for rehabilitation of damaged units affected by natural calamities under which certain concessionary facilities can be provided to tiny and small scale sector by way of term loans for repair and renovation of factory buildings/sheds and machinery as also the replacements of damaged parts and working capital for purchase of raw materials and stores, providing further working capital, rephasing of term loans etc. In addition, the Government also announced on 26th November, 1999, a Relief Package for Small Scale Industries in Orissa, which included a component from SIDBI for providing assistance for revival of the SSI units affected by the super-cyclone. Further, the State Government in cooperation with financial institutions/banks have conducted a survey of cyclone affected SSI units and have provided cyclone loan assistance for repair and restoration of fixed assets and creation of damaged current assets. Loan assistance has been provided to SSI units at a concessional rate of 12% under refinance scheme of SIDBI.